

GUAR SEED

Technical Analysis:

- Candlestick chart pattern indicates that bullish sentiment in the market.
- Prices closed above 9 and 18 day EMAs supporting the bullish momentum in the short term.
- MACD is moving up in positive region indicates bullish momentum.
- RSI is moving up in the overbought zone and is warranting the bulls.
- Guarseed futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Guarseed NCDEX (February)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >2630 | 2656 | 2670 | 2610 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 2575 | 2600 | 2639 | 2670 | 2685 |



GUAR GUM

Technical Analysis:

- Candlestick chart pattern indicates that bullish sentiment in the market.
- Prices closed above 9 and 18 day EMAs supporting the bullish momentum in the short term.
- MACD is moving up in positive region indicates bullish momentum.
- RSI is moving up in the overbought zone and is warranting the bulls.
- Guar gum futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Guar gum NCDEX (February)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >6975 | 7015 | 7040 | 6945 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 6490 | 6541 | 6999 | 7150 | 7225 |



Price Drivers

- Low carry- in stocks.
- Guar gum exports are likely to go up.
- Expectation of bumper guar seed production this season (2010-11)
- Lower overall arrivals.
- High demand in the markets

Spot Market Analysis:

- Strong sentiment witnessed in key Guar cash market on Tuesday.
- Arrivals have reduced in the domestic markets and this has consistently supported the domestic prices.
- Reportedly farmers are holding back their stocks in anticipation of higher prices in near term.
- According to the market participants, around 65-70% of the total crop has already arrived in the markets till date and in near term arrivals will reduce and this might further push up its prices.
- Firm demand for guar gum in the international markets is further expected to escalate the domestic prices.
- Moreover, sharp improvement in the guar prices over NCDEX has also influenced the spot prices.

Guar seed and gum prices are expected to trade with firm bias in near term in anticipation of reduced arrivals in domestic markets against strong demand.

| Guar Seed And Guar Gum Spot Prices & Arrivals | | | | |
|---|--------------------|--------------------|---------------------------|----------------------|
| Commodity | Centres | Prices 14.01.11 | %Change from Prior day | Arrivals 14.01.11 |
| Guar Seed | Jodhpur (Delivery) | 2600 | 0.76 | 2000 |
| | Jodhpur (Loose) | 2400 | 1.69 | Nil |
| | Bikaner | - | | |
| | Nokha | - | | - |
| | Hanumangarh | 2540 | 0.99 | 200-300 |
| | Sri-Ganganagar | 2520 | 0.40 | 300 |
| | Adampur | 2520 | 0.40 | 1200-1300 |
| | Sirsa | 2520 | 0.40 | 400 |
| | Bhiwani | 2520 | 0.40 | 200 |
| | Deesa | - | | - |
| | Nagaur | - | | - |
| | Dhabwali | - | | - |
| Guar Gum | Jodhpur | 6825 | 1.49 | N/A |
| | Bhiwani | 6950 | 0.72 | N/A |
| | Dhabwali | - | | N/A |

Arrivals in bags & Prices in Rs. /Quintal

| Commodity | Centre | Price |
|-----------|---------|-----------------|
| Churi | Jodhpur | Rs 893/quintal |
| Korma | Jodhpur | Rs 1073/quintal |

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 45.30 |
| European Union | Euro | 60.40 |
| United Kingdom | GBP | 71.73 |

| Commodity | Variety | Value |
|----------------|-------------------|---------------|
| Guargum Split | | \$1500/tonne |
| Guargum Powder | 200 Mesh 5000 CPS | \$1780/tonne |
| | 200 Mesh 3500 CPS | \$1740/tonne |
| Guargum Meal | | \$ 340/ tonne |

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